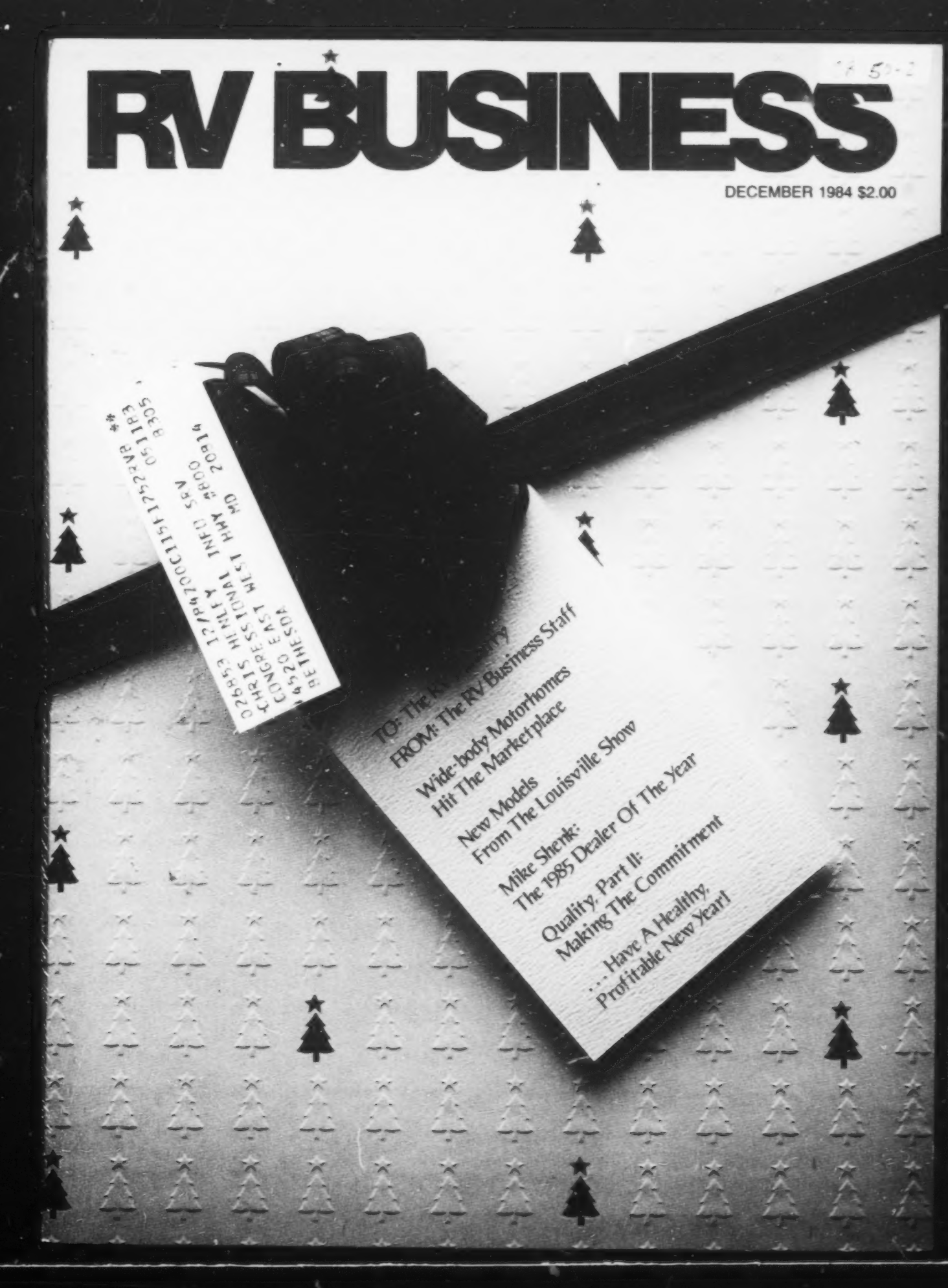
RV BUSINESS

DECEMBER 1984 $2.00


TO: The RV Industry
FROM: The RV Business Staff
Wide-body Motorhomes Hit The Marketplace
New Models From The Louisville Show
Mike Shenk: The 1985 Dealer Of The Year
Quality, Part II: Making The Commitment
... Have A Healthy, Profitable New Year!

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ON THE COVER: *RV Business* is one of those very special year-round gifts from us to you. Each month we search out the closest topics, the best photographs and illustrations and wrap them in an outstanding cover. Then it is all delivered to your doorstep. This month's cover usually extends our gift to you with Season's Greetings and our wishes for the best of New Years. Photo: Steve Braddus.

(Special Louisville issue shows the city's jewel-like nighttime skyline. Photo: Sheryl Davis.)

Perspective

An analysis of RVB's monthly survey of its Dealer Advisory Board Members

GAYLORD MAXWELL

	NEW						USED					
	FOR MONTH			YEAR-TO-DATE			FOR MONTH			YEAR-TO-DATE		
	SEPT '84	SEPT '83	% CHANGE	1984	1983	% CHANGE	SEPT '84	SEPT '83	% CHANGE	1984	1983	% CHANGE
MOTORHOMES	69	93	–26%	931	934	– 1%	62	73	–15%	710	679	+ 5%
TRAVEL TRAILERS	69	83	–17%	825	928	–11%	62	96	–35%	733	794	– 8%
TRUCK CAMPERS	11	12	– 8%	161	146	+10%	16	14	+14%	180	162	+11%
CAMPING TRAILERS	94	102	– 8%	1,545	1,361	+14%	19	22	--14%	281	275	+ 2%
FIFTH-WHEELS	24	28	–14%	311	252	+23%	6	11	–45%	102	90	+13%

	FOR MONTH			YEAR-TO-DATE		
	SEPT '84	SEPT '83	% CHANGE	1984	1983	% CHANGE
SALES VOLUME	$5,696,022	$6,919,350	–18%	$74,302,392	$68,338,540	+ 9%
TOTAL UNIT SALES	432	534	–19%	5,779	5,561	+ 4%
NEW UNIT SALES	267	318	–16%	3,773	3,621	+ 4%
USED UNIT SALES	165	216	–24%	2,006	1,940	+ 3%

September was definitely a slower month for many dealers. Dealer Advisory Board (DAB) figures show that more than half its members took in fewer dollars than they did in the previous September. They also sold fewer units, both new and used.

Profits also dropped. There were fewer excellent marks and more poor ones. Only used units appear to be holding well. With only one exception (used truck campers), all categories were down for the month. Motorhomes had the sharpest drop among new units, and fifth-wheels led the decline in used.

Year-to-date, the figures are not so bad. Three categories of new are still up, and four of the five used columns are still plus. These figures do not signify a collapse of the RV market. A slow-down for the average dealer had been in progress for several months. The down-turn is due partly to the fact that buyers are holding off, perhaps until after the election. The primary cause is that there are more dealers, and the pie slices are smaller. Indications are that there will be a period of adjustment in which some dealers will drop out—particularly car dealers who have not made serious commitments to the RV industry.

MOTORHOMES

We would have to go back five years to see a new motorhome-sales dip similar to what we saw this month. It was not an across-the-board drop. Most large DAB motorhome specialists took a tumble, but department store-type dealers had mixed results.

Motorhome dealers have proved most vulnerable to dealer marketplace saturation. In some areas, regular dealers are already reporting close-out sales. That hurts the profit picture for everyone in the area. Motorhome profits have weakened; DAB ratings are lower than they have been since 1979- 80. The future of motorhome sales is not in jeopardy, but dealers need to adjust their modus operandi to current realities.

TRAVEL TRAILERS

New-unit sales were down from last September—a monthly situation that has been going on since early summer. Used sales dropped even more drastically. Year-to-date, both categories are down from the previous year. Travel trailer dealers are concerned. Sales have dragged all year, and they still do not see a light at the end of the tunnel.

TRUCK CAMPERS

Sales of new units were down slightly for the month; used units were up slightly. Year-to-date, both categories are up. Profits were very mixed. A couple of DAB dealers added campers this summer; a couple dropped them. Few have made a strong commitment to this RV type.

CAMPING TRAILERS

Although new units were slightly off for the month, the overall picture for the year is quite good. A few dealers have had a great year, particularly those who specialize in the folding units.

It seems logical that light-weights will more than hold their own in this low-power automobile age. Dealers who aren't making an effort to get their share of that market are missing a bet.

FIFTH-WHEELS

For the first time this year, fivers took a dive for the month. The drop is not serious, nor are the numbers large, but any drop is significant. Possibly older people—fifth-wheel buyers, generally—are more interested than younger people are in the outcome of the election. Year-to-date, the sales increase is still good—the best of all types in both new and used. Δ

Perspective is a compilation of data provided by RVB's Dealer Advisory Board (DAB), a group comprised of 23 dealers representing a cross-section of the U.S. Dealer body. This report is an attempt to reflect the current retail sales picture; it does not purport to indicate RV production or factory sales to dealers.

RVIA, SEPTEMBER

The marketing committee of the Recreation Vehicle Industry Association has announced that the total number of recreational vehicles shipped from manufacturers' plants during September 1984 was 26,200 units, down 7.8% from September 1983.

The shipment figures released by the association are contained in a report compiled for the membership by RVIA's marketing committee under the chairmanship of Allen Yoder Jr. of Jayco, Incorporated, Middlebury, Indiana.

RV shipments were as follows in September 1984		September 1983	Percent Change	Cumulative 1984	Cumulative 1983	Percent Change
TRAVEL TRAILERS	4,900	5,800	– 15.5%	61,100	58,000	+ 5.1%
FIFTH-WHEELS	1,400	1,700	–17.6%	15,400	13,800	+ 11.6%
TRUCK CAMPERS	500	600	–16.7%	6,600	5,900	+ 11.9%
MULTI-USE VEHICLES	11,700	11,400	+ 2.6%	134,200	117,200	+ 14.5%
TYPE A: MOTOR-HOMES	2,500	3,000	–16.7%	32,100	24,700	+ 30.0%
TYPE B: VAN CAMPERS	300	700	–57.1%	5,500	4,100	+ 34.1%
TYPE C: MINI MOTOR-HOMES	2,000	2,400	– 16.7%	27,200	23,600	+ 15.3%
FOLDING CAMPING TRAILERS	2,900	2,800	+ 3.8%	32,300	29,900	+ 8.0%
TOTALS	26,200	28,400	– 7.8%	314,400	277,200	+ 13.4%